

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT J

Robert A. Julian (SBN 88469)
Cecily A. Dumas (SBN 111449)
BAKER & HOSTETLER LLP
Transamerica Pyramid Center
600 Montgomery Street, Suite 3100
San Francisco, CA 94111-2806
Telephone: 415.659.2600
Facsimile: 415.659.2601
Email: rjulian@bakerlaw.com
Email: cdumas@bakerlaw.com

Eric E. Sagerman (SBN 155496)
David J. Richardson (SBN 168592)
Lauren T. Attard (SBN 320898)
BAKER & HOSTETLER LLP
11601 Wilshire Blvd., Suite 1400
Los Angeles, CA 90025-0509
Telephone: 310.820.8800
Facsimile: 310.820.8859
Email: esagerman@bakerlaw.com
Email: drichardson@bakerlaw.com
Email: lattard@bakerlaw.com

Counsel for Official Committee of Tort Claimants

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION

-and-

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
- ☐ Affects Pacific Gas and Electric Company
- ☒ Affects both Debtors

**All papers shall be filed in the Lead Case,
No. 19-30088 (DM)*

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11
(Lead Case)
(Jointly Administered)

**NOTICE OF OFFICIAL COMMITTEE
OF TORT CLAIMANTS'
RESERVATION OF RIGHTS RE
DEBTORS' FILING OF PLAN
SUPPLEMENT IN CONNECTION
WITH DEBTORS' AND
SHAREHOLDER PROPONENTS'
JOINT CHAPTER 11 PLAN OF
REORGANIZATION DATED MARCH
16, 2020**

Related Docket No. 7037

1 TO THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY
2 COURT JUDGE, CHAPTER 11 DEBTORS IN POSSESSION PG&E CORPORATION
3 AND PACIFIC GAS AND ELECTRIC CORPORATION, AND TO ALL PARTIES IN
4 INTEREST:

5 PLEASE TAKE NOTICE of the reservation of rights contained herein pertaining to the
6 *Notice of Filing of Plan Supplement in Connection with Debtors' and Shareholder Proponents'*
7 *Joint Chapter 11 Plan of Reorganization Dated March 16, 2020* [Dkt. 7037] (the "**Plan**
8 **Supplement**").

9 PG&E Corporation and Pacific Gas and Electric Company, as debtors and debtors in
10 possession (the "**Debtors**") filed the Plan Supplement in the above-captioned chapter 11 cases (the
11 "**Chapter 11 Cases**") on May 1, 2020, as required by the *Order (I) Approving Proposed Disclosure*
12 *Statement for Debtors' and Shareholder Proponents' Joint Chapter 11 Plan of Reorganization; (II)*
13 *Approving Form and Manner of Notice of Hearing on Proposed Disclosure Statement; (III)*
14 *Establishing and Approving Plan Solicitation and Voting Procedures; (IV) Approving Forms of*
15 *Ballots, Solicitation Packages, and Related Notices; and (V) Granting Related Relief, dated March*
16 *17, 2020*. The Plan Supplement attaches various documents that are filed in support of the *Debtors'*
17 *and Shareholder Proponents' Joint Chapter 11 Plan of Reorganization Dated March 16, 2020* (the
18 "**Plan**"). As of the filing, the Debtors and the TCC had not agreed upon the terms of the documents
19 filed with the Plan Supplement.

20 On or about December 6, 2019, the Debtors, the Official Committee of Tort Claimants (the
21 "**TCC**"), certain law firms representing individuals holding approximately 70% in number of the
22 prepetition fire claims filed against the Debtors (the "**Consenting Fire Claimant Professionals**"),
23 and certain funds and accounts managed by Abrams Capital Management, LP and Knighthood
24 Capital Management, LLP (the "**Shareholder Proponents**") (collectively, the "**Settlement**
25 **Parties**"), entered into the Restructuring Support Agreement (the "**RSA**") and its attached Term
26 Sheet (the "**Settlement**"), in which the Settlement Parties agreed to a Settlement for treatment of
27 the claims of tort claimants defined in the Plan as "Fire Victims," and which was approved by this
28 Court in an order entered December 19, 2019, pursuant to Fed. R. Bankr. P. 9019. Under the terms

1 of the RSA and the Settlement, the Debtors may not modify, amend, or supplement their Plan in
2 any manner that “adversely affects the economic recoveries or treatment of the holders of Fire
3 Victim Claims” without the written consent of the TCC and Consenting Fire Claimant Professionals
4 representing such Fire Victims. *See* Docket No. 5038-1, p. 10, Section 7.

5 Further, the RSA and Settlement require that all Settlement Parties, in the course of drafting
6 and negotiating “Definitive Documents,” which is a defined term that includes any supplements to
7 the Plan, will “refrain from taking any action that would frustrate the purposes and intent of this
8 Agreement.” *Id.*, p. 9, Section 4.

9 **PLEASE TAKE NOTICE** that Exhibit E to the Plan Supplement does not conform with
10 the express terms of the Settlement, and does not conform with the Debtors’ duties under the
11 Settlement.

12 **PLEASE FURTHER TAKE NOTICE** that Exhibit F to the Plan Supplement was filed
13 without consultation with the TCC, and appears to contravene the express terms of the Settlement
14 in various respects.

15 **PLEASE TAKE FURTHER NOTICE** that all parties seeking notice of the nature and
16 scope of the Assigned Rights and Causes of Action that are being assigned to the Fire Victim Trust
17 under the Plan should review the definition of Assigned Rights and Causes of Action found in the
18 Settlement [Dkt. No. 5038-1, ECF Page 42 of 52, Article I – Definitions], and should consult the
19 pleadings that the TCC will file on or about May 15, 2020, in connection with the Court’s hearing
20 on confirmation of the Debtors’ Plan.

21 **PLEASE TAKE FURTHER NOTICE** that the TCC reserves all rights in connection with
22 the RSA, the Settlement, and the Plan Supplement, and the rights and obligations of the Settlement
23 Parties thereunder.

24 ///

25 ///

26 ///

27 ///

28 ///

1 Dated: May 4, 2020

BAKER & HOSTETLER LLP

By: /s/ David J. Richardson

Robert A. Julian
Cecily A. Dumas
David J. Richardson

*Counsel for The Official Committee of Tort
Claimants*

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28